



MOUNTAIN FUEL SUPPLY COMPANY

180 EAST FIRST SOUTH MAY 28 1986 BOX 11368 • SALT LAKE CITY, UTAH 84139 • PHONE (801) 534-5555

SERVICE COMMISSION

5-29-86

May 28, 1986

Utah Public Service Commission
Heber M. Wells Building
160 East 300 South
Salt Lake City, Utah 84110

Attention: Georgia Peterson

Gentlemen:

Re: Mountain Fuel's Monthly Report of Intercompany
Loan Activity as Required by the Commission
in its Order in Case No. 85-057-09.

Enclosed for filing with the Commission are twenty copies of a form showing Mountain Fuel Supply Company's intercompany loan activity in April. It shows that Mountain Fuel has loaned Questar \$50 million as of April 28, 1986. Also enclosed is a sheet showing the computation of the intercompany interest rate for May.

If there are any questions or if the Company can provide additional information, please let me know.

Sincerely,

Alan K. Allred
Director, Rates

AKA/tj

Enclosures

MOUNTAIN FUEL SUPPLY COMPANY

INVESTMENT REGISTER — LOANS TO QUESTAR CORPORATION

| DATE OF LOAN | LENGTH OF NOTE | DATE OF REPAYMENT | INITIAL INTERCOMPANY INTEREST RATE | AMOUNT OF LOAN | CURRENT BALANCE |
|--------------|-----------------------------------|-----------------------------------|------------------------------------|----------------|-----------------|
| 10/3/85 | 90 - days | 12/24/85 - (11) 12/31/85 - (4) | 8.23 | 15,000,000 | 15,000,000 |
| 10/10 | 90 days | 1/8/86 | 8.23 | 28,000,000 | 43,000,000 |
| 10/30 | 90 days | 1/28/86 | 8.23 | 6,000,000 | 49,000,000 |
| 12/24 | Partial Payment of 10/3/85 Note ✓ | | | < 11,000,000 > | 38,000,000 |
| 12/31 | Partial Payment of 10/3/85 Note ✓ | | | < 4,000,000 > | 34,000,000 |
| 12/31 | 90 - days | 1/24/86 | 8.25 | 4,000,000 | 38,000,000 |
| 1/8/86 | Renewal | ✓ | | < 28,000,000 > | 10,000,000 |
| 1/8 | 90 days | 4/8/86 | 8.10 | 28,000,000 | 38,000,000 |
| 1/24 | Payment of 12/31/85 Note ✓ | | | < 4,000,000 > | 34,000,000 |
| 1/28 | Renewal | ✓ | | < 6,000,000 > | 28,000,000 |
| 1/28 | 90 days | 4/28/86 | 8.10 | 6,000,000 | 34,000,000 |
| 2/10 | 90 days | | 8.03 | 1,000,000 | 35,000,000 |
| 2/13 | 90 days | | 8.03 | 1,000,000 | 36,000,000 |
| 2/21 | 90 days | | 8.03 | 1,000,000 | 37,000,000 |
| 2/24 | 90 days | | 8.03 | 1,000,000 | 38,000,000 |
| 3/3 | 90 days | | 8.00 | 1,000,000 | 39,000,000 |
| 3/5 | 90 days | | 8.00 | 2,000,000 | 41,000,000 |
| 3/10 | 90 days | | 8.00 | 9,000,000 | 50,000,000 |
| 4/8 | Renewal | ✓ | | < 28,000,000 > | 22,000,000 |
| 4/8 | 90 days | | 7.54 | 28,000,000 | 50,000,000 |
| 4/28 | Renewal | ✓ | | < 6,000,000 > | 44,000,000 |
| 4/28 | 90 days | | 7.54 | 6,000,000 | 50,000,000 |
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QUESTAR CORPORATION
INTERCOMPANY INTEREST RATE

For Transactions Initiated During the Month of May, 1986

| | |
|--------------------------------------|--------------|
| Market Borrowing Rate (60 days) | <u>7.25</u> |
| Market Investment Rate (60 days) | <u>6.75</u> |
| | <u>14.00</u> |
| Intercompany Interest Rate (Average) | <u>7.0%</u> |
